Media Release: FGV's Independent Assessment of Human Trafficking Allegations in Jempol Completed

An independent verifier concluded today that there were no human trafficking cases found on Felda Global Ventures Holdings Berhad (FGV) plantations covering 3 areas; Pasoh, Serting Hilir and Palong Timur in Jempol, Negeri Sembilan, as alleged by a Wall Street Journal news report in July 2015.

Wild Asia, an independent verifier on sustainability in Asia, noted in its report that: "Within the sample, our worker interviews did not identify "human trafficked" cases (as described in media reports) nor can we conclude that "forced labour" (as defined by SA8000) is prevalent." The report also suggests an improvement in current management systems.

A SA8000 standard is a social certification standards for decent workplaces based on the UN Declaration of Human Rights and the conventions of the International Labour Organization which protect the basic human rights of workers.

Commenting on the results of the independent assessment, FGV Group President and Chief Executive Officer Dato Mohd Emir Mavani Abdullah said that the company has an above board policy on the hiring of foreign workers, and that the Group has zero tolerance towards any form of harassment or abuse.

"We'd like to reiterate the fact that our employment procedures and policies are guided by Malaysian law and the relevant requirements from our workers' countries of origin. As a fair and equitable employer, all foreign workers employed by FGV are accorded the same rights and privileges as Malaysians."

FGV is committed to the Roundtable on Sustainable Palm Oil Principles and Criteria and Malaysian Sustainable Palm Oil standards. FGV directly employs 24, 674 foreign workers legally and in full observance of regulatory requirements.

"We are committed to ethical and transparent operations to ensure equitable long-term value for all our stakeholders: including employees, smallholders and plantation workers, without whom we would not be able to function as a business."

The allegations surfaced by the Wall Street Journal in July 2015 were met with immediate actions at FGV, which considered the accusations a grave blow to its commitment to

equitable treatment and transparency.

Steps the company immediately took to determine the veracity of cases cited in the report included outreach to the WSJ for information that would assist FGV in its investigations, in-depth on-site investigations by senior FGV personnel, and open engagement with NGOs and government representatives.

FGV sought to hire an independent team to assess its plantations, with Wild Asia being appointed, thanks to its solid reputation and its familiarity with Malaysia.

Investigations into the allegations were also carried out by the Roundtable on Sustainable Palm Oil, the global organization dedicated to promoting the sustainability agenda in the palm oil industry.

“Based on these independent findings, there are no human trafficking cases or forced labour on our three alleged plantations,” said Dato’ Emir.

Dato’ Emir continued to note that FGV is continuously improving as a plantation player to ensure best practices are implemented across the chain and we are currently tightening sustainability policies across the Group and focus will be given specifically on enhancing engagements with stakeholders as well as ensuring corrective actions are being closely implemented and monitored.

“We are strengthening our ties with our employees, smallholders and clients through our effective policies as well as the industry players and regulators. We understand and care about their concerns and we are taking every viable measure to ensure we are a sustainable company.

“FGV is fully supportive of the 17 pillars of the United Nations Sustainability Development Goals. We are aligning all our sustainability policies to mirror the international sustainable development agenda as we play our part in the effort to transform the world for the better.”

For more details of the report, please contact FGV Corporate Communications.